P. O. Box 1393 Roswell, NM 88201

December 21, 1984

Mr. Jerry Sexton
Oil Conservation Division
P. O. Box 1980
Hobbs, New Mexico 88240

RE: Monthly Allowable Pearl State #2 Sec. 10; T19S; R35E

Dear Mr. Sexton,

As you are aware, as of December 20, 1984 we have produced our monthly allowable on the above captioned well. This well had been producing at a rate of 250 barrels per day and suddenly began producing at a rate of 450 barrels per day. At this time we do not know the reason for this increase. However, we feel shutting it in at this time could cause damage to the formation and impede the capability of the well to produce in the future.

We would like to request permission to over-produce from this well at a rate of 320 barrels per day for the remainder of the month of December. This would put our over-production at approximately 3,200 to 3,500 barrels for the month. In order to make-up this over-production we would reduce our production on January 15, 1985 to approximately 220 barrels per day. This would make-up the overage in approximately five to six weeks which would be around February 19th or 26th.

We appreciate your consideration in this matter and will continue to do our utmost to comply with all O.C.D. regulations.

Very truly yours,

Fred Pool. Jr.

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